LT in Focus

Analyzing important legislative amendments

Tax & Legal



Personal data localization: new requirements

Current Russian legislation establishes a number of responsibilities for personal data operators (that is, persons that process personal data as well as determine the purposes, composition and type of personal data processing operations), including the responsibility to make sure that personal data is processed using data bases located in the Russian Federation, except as provided by law (Art. 18, Part 2 of Russian Federal Law No. 152-FZ of 27 July 2006 *On Personal Data* (the "Federal Law").

A bill to amend the Federal Law and other regulations was signed into <u>law</u> and published on 28 February 2025.

The original amendments sought to regulate the processing of certain personal data categories, such as personal data of public officials, judges, parties to criminal proceedings, and other persons defined by law.

An additional amendment suggested in the second reading also made it to the final bill.

It changed the wording of Art. 18, Part 5 of the Federal Law by adding a provision that prohibits recording, systematization, accumulation, storage, refinement (update, change), and retrieval of personal data of Russian citizens with the use of data bases located outside the Russian Federation, except as provided by law.

Thus, the above amendment may result in prohibition to use foreign data bases, unless as expressly allowed by law, including when a foreign data base that contains personal data is not the master data base for a Russian data base.

Failure to comply with the localization requirement may entail administrative liability under Art. 13.11, Part 8 of the Russian Administrative Offenses Code, with a penalty of RUB 100–200 thousand for officials and RUB 1–6 million for individuals. Repeated noncompliance may result in administrative liability under Art. 13.11, Part 9 of the Russian Administrative Offenses Code, with a penalty of RUB 500–800 thousand for officials and RUB 6–18 million for legal entities.

Given that said amendments are effective as early as 1 July 2025, it would be advisable to examine your personal data processing to verify that the localization requirements are fully met and your processes are attuned to the upcoming changes.

If you need help understanding personal data compliance, please reach out to our team.

We will be happy to provide you with comprehensive advice.

OOO BST Consulting

OOO BST Consulting 2

Contacts

Legal Services



Nikita Korobeinikov Director nkorobeinikov@delret.ru



Aleksandrov
Senior Lawyer
aaleksandrov@delret.ru



Follow us on social media

delret.ru

This communication contains general information only and none of the companies operating under the Business Solutions and Technologies brand (Business Solutions and Technologies Group, <u>delret.ru/about</u>) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in Business Solutions and Technologies Group shall be responsible for any loss whatsoever sustained by any person who relies on this communication.